



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA  
Chief Executive Officer

March 27, 2012

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

Board of Supervisors  
GLORIA MOLINA  
First District

MARK RIDLEY-THOMAS  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

## **AUTHORIZATION TO RENEW CONTRACT FOR THE RISK MANAGEMENT INFORMATION SYSTEM (ALL DISTRICTS) (3 VOTES)**

### **SUBJECT**

This letter seeks your Board's authorization to renew Contract No. 73275 with Risk Technologies, Inc. (RTI), for maintenance and repair services of the Risk Management Information System (RMIS), for the period of April 14, 2012 through and including December 6, 2012, for a base cost of \$566,800 for maintenance, plus cost for any work orders.

### **JOINT RECOMMENDATION WITH COUNTY COUNSEL THAT YOUR BOARD:**

Authorize the Chief Executive Officer (CEO) and County Counsel, as joint Program Directors, to renew Contract No. 73275 with RTI, for maintenance and repair services for RMIS, for the period of April 14, 2012 through and including December 6, 2012.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

In approving the recommended actions, the County of Los Angeles (County) will continue to receive uninterrupted RMIS services for the period. This contract will expire on December 6, 2012. As documented in the attached report, RMIS and RTI's performance continues to meet the County's data quality, data availability, and data accessibility expectations.

### **Implementation of Strategic Plan Goals**

The services provided under this contract support the County's Strategic Plan Goal One, Operational Effectiveness, by providing a centralized claim and litigation database that the CEO, County Counsel, County departments, and County third party administrators utilize to improve the effectiveness of Countywide risk management and litigation activities.

*"To Enrich Lives Through Effective And Caring Service"*

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### **FISCAL IMPACT/FINANCING**

Funding for system upgrade projects and maintenance and support have been included in the Insurance Budget for Fiscal Year 2011-12 and proposed budget for Fiscal Year 2012-13.

### **FACTS AND PROVISIONAL/LEGAL REQUIREMENTS**

On March 6, 2001, your Board approved the contract with RTI to procure and maintain RMIS and authorized the CEO to execute up to six annual contract renewal options. On March 1, 2005, your Board approved Amendment No. 2 to the contract, and instructed the CEO and County Counsel, as joint Program Directors, to seek your Board's approval before executing each annual renewal option for enhanced maintenance services, and to provide justification for the renewal, based upon outcome measurement methodology. On September 8, 2009, your Board authorized the CEO to execute Amendment No. 3, which added two additional annual renewal options to the contract as part of the contract extension/cost reduction initiative. The current term expires on April 13, 2012 and, upon your Board's approval of the renewal option, the contract will be extended through December 6, 2012.

From March 6, 2001 through February 29, 2012, the CEO has spent a total of \$11,721,731 on RMIS, including system implementation, maintenance and support, and upgrades and modifications. The cost for this extension period will be \$566,800 for maintenance and support, plus the costs of any outstanding modifications/upgrades.

In addition, in October 2009, the CEO and County Counsel worked together to successfully implement the departmental reporting functions of the Cognos-based Online Risk Business Intelligence Tool (ORBIT) to distribute claims-related reports to all County departments on a monthly basis. The CEO and County Counsel continue to work closely to accurately and efficiently report to your Board information concerning claims and litigation.

In late 2011, County Counsel began implementation of an e-billing system, CT Tymetrix T360, which interfaces with RMIS to provide streamlined processing and enhanced cost-control tools for attorney billings. The CT Tymetrix T360 contract was solicited and awarded by the Internal Services Department under its statutory authority as the County's Purchasing Agent.

The CT Tymetrix T360 contract includes an option for "matter management" functionality, which appears to have the capacity to replace RMIS functionality.

County Counsel and CEO Risk Management Branch are currently exploring the feasibility of providing lower-cost services, equivalent to those provided by the RMIS system, by leveraging the matter management functionality in the County Counsel CT Tymetrix T360 system contract.

Therefore, there is currently no plan to conduct a Request for Proposals (RFP) for RMIS services. It is anticipated, however, that the current RMIS agreement may need to be extended on a sole source basis, month-to-month, for several months until the matter management functionality of the CT Tymetrix T360 system can be fully implemented. The CEO will provide periodic status reports to your Board regarding this project and on any month-to-month extension periods that may be needed.

### **IMPACT ON CURRENT SERVICES**

Renewal of this contract will ensure uninterrupted continuation of critical services to the CEO, County Counsel, County departments, and third party administrators through December 6, 2012.

### **CONCLUSION**

Upon approval by your Board, please return two adopted copies of this letter to the CEO Risk Management Branch, attention Laurie Milhiser, County Risk Manager.

Respectfully submitted,



WILLIAM T FUJIOKA  
Chief Executive Officer



JOHN F. KRATTLI  
Acting County Counsel

WTF:ES:JFK  
LM:SE:SEN:LC:sg

Attachment

c: Executive Office, Board of Supervisors  
Auditor-Controller  
Chief Information Office

**COUNTY OF LOS ANGELES  
RISK MANAGEMENT INFORMATION SYSTEM  
ANNUAL REPORT SUMMARY  
APRIL 2011 THROUGH APRIL 2012**

As requested by your Board on March 1, 2005, listed below are summary descriptions and status of each work order issued or in development for system modifications and enhancements to the Risk Management Information System (RMIS) during the renewal term of April 14, 2011 through April 13, 2012. The work orders were created to accomplish the upgrade projects of the Priority 1 enhancements, as provided to your Board on February 28, 2005. Upgraded projects meet the performance expectations established in the Methodology to Measure the Outcomes and Effectiveness of RMIS, as outlined in the December 30, 2005 report to your Board.

COMPLETED WORK ORDERS

- T360 eBilling Test Interface Data Extraction (Work Order 15).

WORK ORDERS IN PROGRESS

- Enhancements to RMIS Payment and Reserve Processes (Work Order 13).
  - Includes enhancements for eCAPS Time Collection (originally Work Order 15).
- T360 eBilling Interface Data Extraction and Import (Work Order 16).
  - Includes automated daily data extraction file to transfer RMIS Matter Management data to the T360.
  - Includes an automated process for the import of the Approved Invoice data from T360 to RMIS.
  - Includes the addition of standard UTBMS codes into the list of Expense Codes in RMIS to allow mapping of T360 invoice expense categories.
  - Includes an automated process for the import of the Approved Case Budget data from T360 to RMIS.
  - Includes an automated daily data extraction file to transfer RMIS Invoice Paid data to T360.

### CANCELLED WORK ORDERS

- RMIS ORBIT Enhancements (Work Order 14)
  - Enhancement to the new Online Business Intelligence Tool (ORBIT) data marts for user roles and user tracking, using the County's online Business Intelligence (BI) development tool (Cognos).

### WORK ORDERS IN DEVELOPMENT

- None

### MISCELLANEOUS ITEMS

- None